

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

EAST CLARK COUNTY WATER DISTRICT)	
)	
_____)	CASE NO. 93-174
)	
ALLEGED VIOLATIONS OF COMMISSION)	
REGULATIONS 807 KAR 5:006, 807 KAR)	
5:011, AND 807 KAR 5:066)	

ORDER TO SHOW CAUSE

East Clark County Water District ("East Clark"), a water district formed pursuant to the provisions of KRS Chapter 74, owns and operates facilities used for the distribution and furnishing of water to the public for compensation in Clark County, Kentucky, and is therefore a utility subject to Commission jurisdiction. KRS 278.010(3)(d); KRS 278.015.

KRS 278.280 authorizes the Commission to prescribe rules for performance of any service furnished or supplied by a utility. Pursuant to this authority, the Commission has promulgated Commission Regulation 807 KAR 5:006, which establishes general rules for all utility operations; Commission Regulation 807 KAR 5:011, Section 12, which requires the posting of utility tariffs; and Commission Regulation 807 KAR 5:066, which establishes general rules for the operation of water utilities.

On September 29, 1992, Commission Staff inspected East Clark's records and facilities for compliance with Commission regulations. In its report of this inspection, which is appended hereto,

Commission Staff listed four instances where the utility failed to comply with Commission regulations.

Having reviewed the report of this inspection and being otherwise sufficiently advised, the Commission finds that a prima facie showing has been made that East Clark is in violation of Commission Regulations 807 KAR 5:006, 807 KAR 5:011, and 807 KAR 5:066.

The Commission, on its own motion, HEREBY ORDERS that:

1. East Clark shall appear before the Commission on July 15, 1993, at 10:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 730 Schenkel Lane, Frankfort, Kentucky, for the purpose of presenting evidence concerning the alleged violations of Commission Regulations 807 KAR 5:006, 807 KAR 5:011, and 807 KAR 5:066, and of showing cause why it should not be subject to the penalties prescribed in KRS 278.990(1) for these alleged violations.

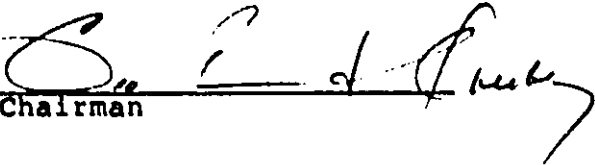
2. East Clark shall submit to the Commission, within 20 days of the date of this Order, a written response to the allegations contained herein and to the contents of the Inspection Report.

3. The Utility Inspection Report of October 1, 1992, which is appended hereto, is made part of the record of this proceeding.

4. Any motion requesting an informal conference with Commission Staff to consider the simplification of issues or any other matters which may aid in the handling or disposition of this proceeding shall be filed with the Commission no later than 20 days from the date of this Order.

Done at Frankfort, Kentucky, this 11th day of May, 1993.

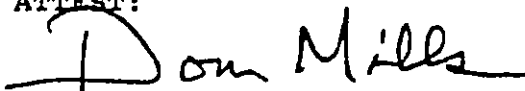
PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:



Executive Director

6. In your opinion, does this compensation equate to a subsidy of independent payphone providers' operations? If not, why?

7. Detail the factors taken into consideration by Coin Phone Management in negotiating commissions to be received from the operator service provider to which Coin Phone Management is presubscribed.

8. Is it Coin Phone Management's position that all of the issues and findings set forth in the FCC's order in CC Docket No. 91-35 should be adopted in their entirety by this Commission?

9. Provide the return on equity and the return on investment earned by Coin Phone Management on a company-wide basis. Provide exhibits illustrating the computation of these returns.

10. On what percentage of interstate calls made on Coin Phone Management paystations do end-users dial access codes? Is the percentage the same for intrastate calls? On what do you base your response?

IT IS FURTHER ORDERED that information requests of all intervenors to Coin Phone Management shall be due 45 days from the date of this Order.

Done at Frankfort, Kentucky, this 11th day of May, 1993.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:


Executive Director